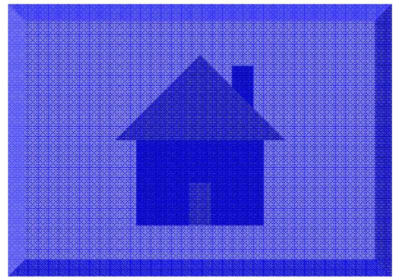


Housing Chapter Task Force

Saint Paul Comprehensive Plan 2008

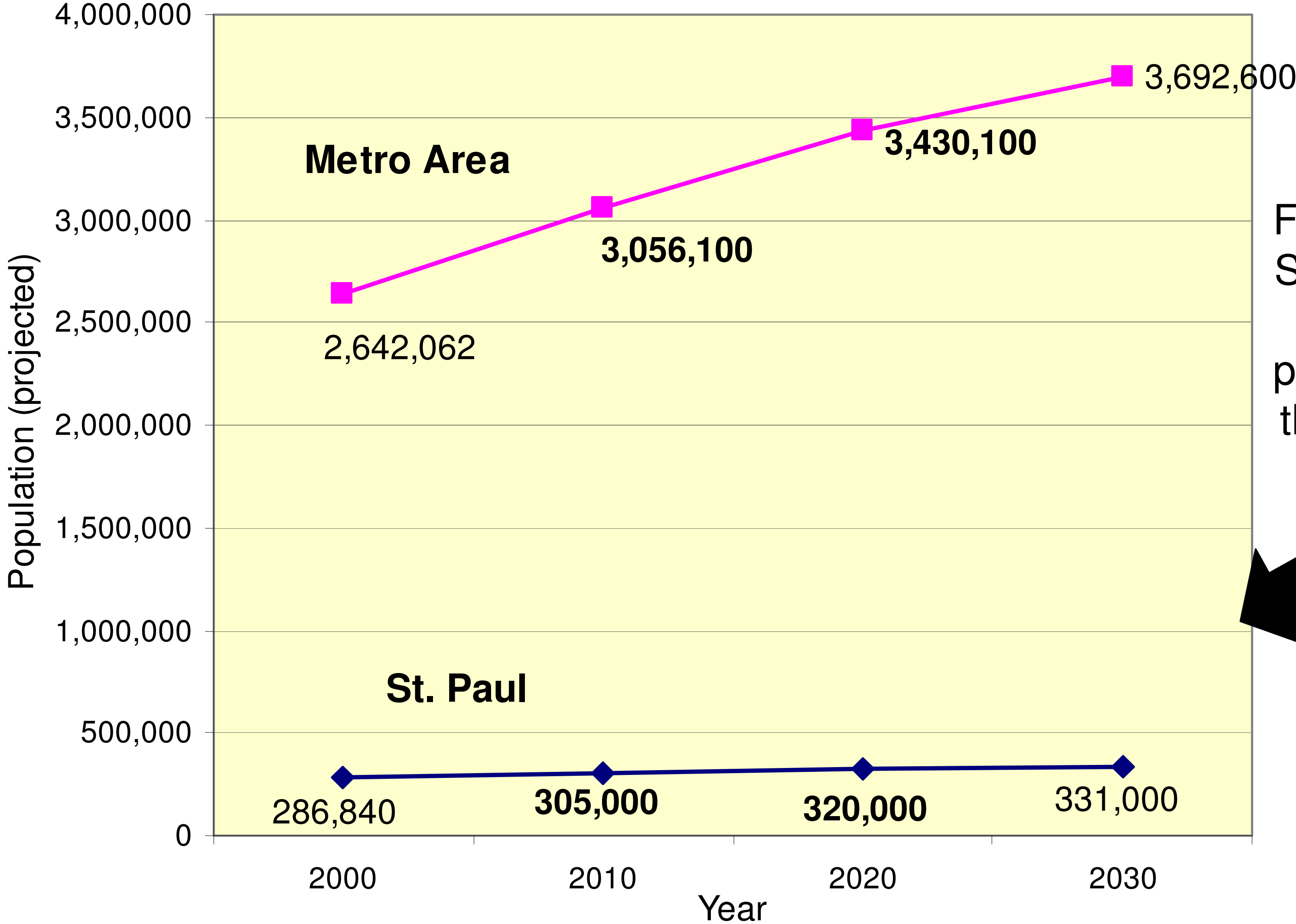
2nd meeting

November 15, 2006

Introduction

- Jim Bellus, Chair
- Goal of Housing Chapter: general policy, guiding private development, public funding
- Task Force Charge
- Guest Speakers:
  - Mark Vander Schaaf, Director of Data Resources, Metropolitan Council
  - Cindy Porter and Steve Schellenberg, Saint Paul Public Schools
- New Task Force Member
  - Terri Thao, Payne-Lake Community Partners

Population Growth, St. Paul vs. Region 2000-2030



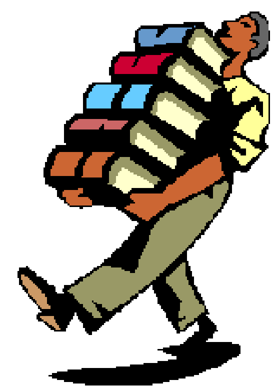
From **2010-2020**, St. Paul will grow by 15,000 people*, or 4% of the Metro Area's growth.

***That's 7,000 new house-holds by 2020**

Metropolitan Council projections

To discuss – for the City

- **Demographics ~ Demand**
  - Existing population & household characteristics
  - New household characteristics & projected needs
- **Housing Costs**
- **Housing Stock ~ Supply**
  - Existing characteristics
  - Recent housing trends
    - New housing production, 2002-2005
    - Vacant buildings & mortgage foreclosures



Questions – Housing need, supply & constraints

- What type of housing will the Met. Council-projected 7,000 new households need ?
- What will the City need to do to ensure such housing options are provided, given:
  - Lack of developable land
  - Decreasing affordability of housing & transportation
  - Limited City resources
- Revisit existing plan strategies

Source: A Heavy Load, Center for Housing Policy.

Demographics
existing population & households

St. Paul, 2000-2005:

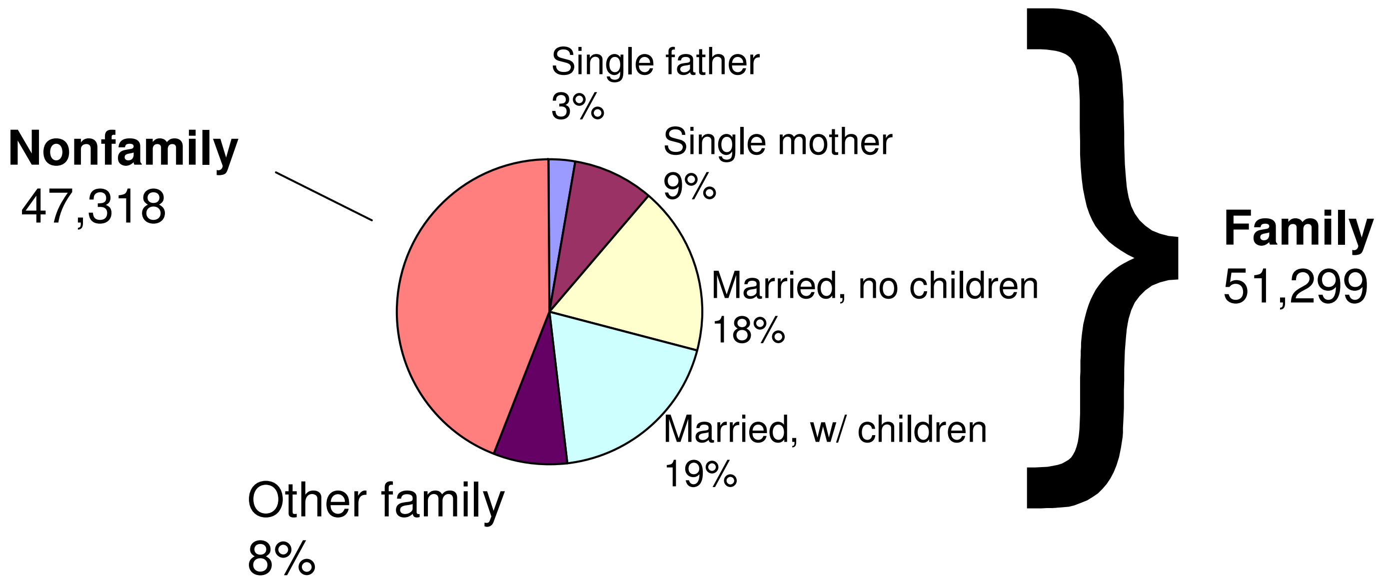
- Population decreased by 12,001 people & households decreased by 4,130
- Average household size remained about the same (2.4)
- Minority population decreased, but as a share of the total population, it remained the same (36%)
- Senior population (age 65+) decreased from 10% to 8%

2005 American Community Survey data, US Census

Demographics
existing population and households

- Household types, by presence of children (2005)
  - Family households – 48% of total
  - Nonfamily households – 43% of total

    Nonfamily = unrelated individuals living together, or singles living alone.

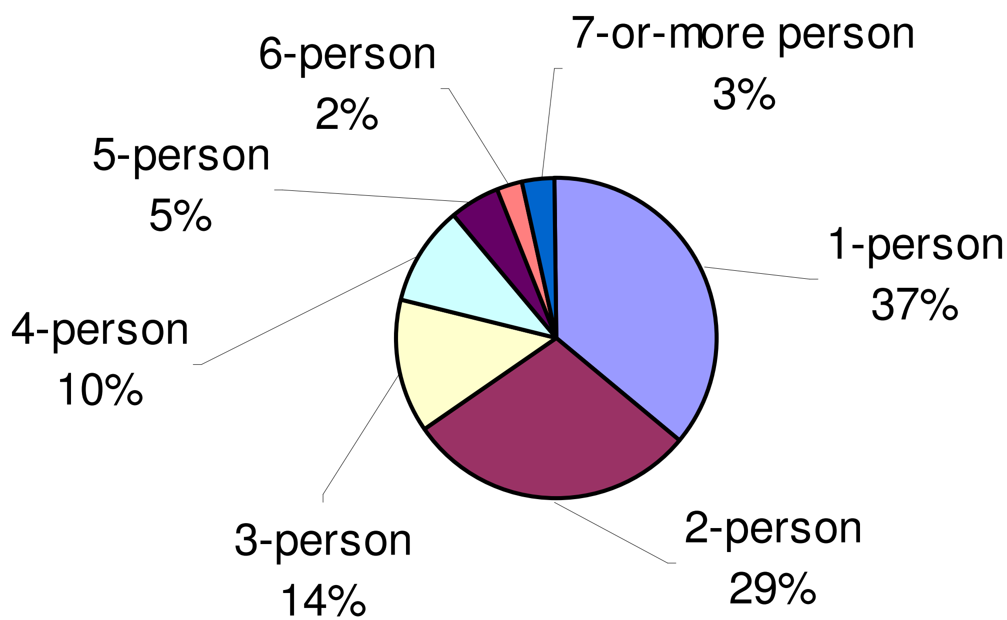


2005 American Community Survey data, US Census

Demographics
existing population and households

Household types, by number of people (2005)

- 1-person - 37% of total
- 2- person – 29% of total



2005 American Community Survey data, US Census

Demographics
existing population and households

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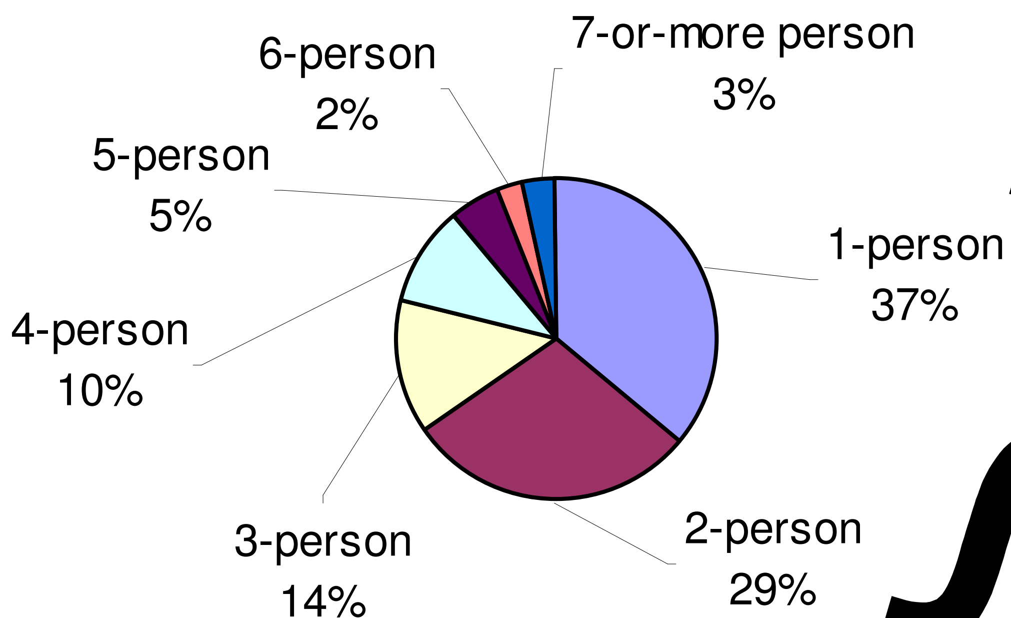


66% of all households have either **1 or 2** people

2005 American Community Survey data, US Census

Demographics
existing population and households

Preliminary data conclusions…

- **Family households** are still the largest share (48%), but Nonfamily households are significant as well (43%)
- Data suggests that there are a significant number of **small family households,** and this has remained fairly stable

- Married, no children (18%)
- Single parent (12%)

or

- 2-person (29%)
- 3-person households (14%)
- 4-person (10%)

2005 American Community Survey data, US Census

Demographics

new population and households ?

If the City of Saint Paul grows in the same way, of 7,000 new households, we would have approximately…

- 2,500 new 1-pers. households
- 2,050 new 2-pers. households
- 950 new 3-pers. households
- 730 new 4-pers. households

This suggests the City might need…

Demographics

new population and households ?

If the City of Saint Paul grows in the same way, of 7,000 new households, we would have approximately…

- 2,500 new 1-pers. households
- 2,050 new 2-pers. households
- 950 new 3-pers. households
- 730 new 4-pers. households

This suggests the City might need…

4,550 1-2 bedroom units

1,680 3-bedroom units

775 4+ bedroom units (for new 5+ pers. households)

Demographics
new population and households ?

Key projections -

- From 2002-2012, the **senior population** will grow by more than **6,000** in each of the largest Twin Cities counties, including Ramsey (State Demographer)
- **Married couples without children** will increase to nearly 30% of all Metro households by 2020 (Maxfield Research, Inc.)
- **Single-person households** will continue to increase, to become over 30% of all Metro households by 2020
  - Senior portion to increase from 10% to nearly 12% by 2030.
- Projected MN population growth rates show that "**Emerging Markets**" will continue to be key, 2000-2010 (MN Realtors Association)
  - 57% - Hispanic
  - 36% - African-American
  - 31% - Asian
  - 3% - White

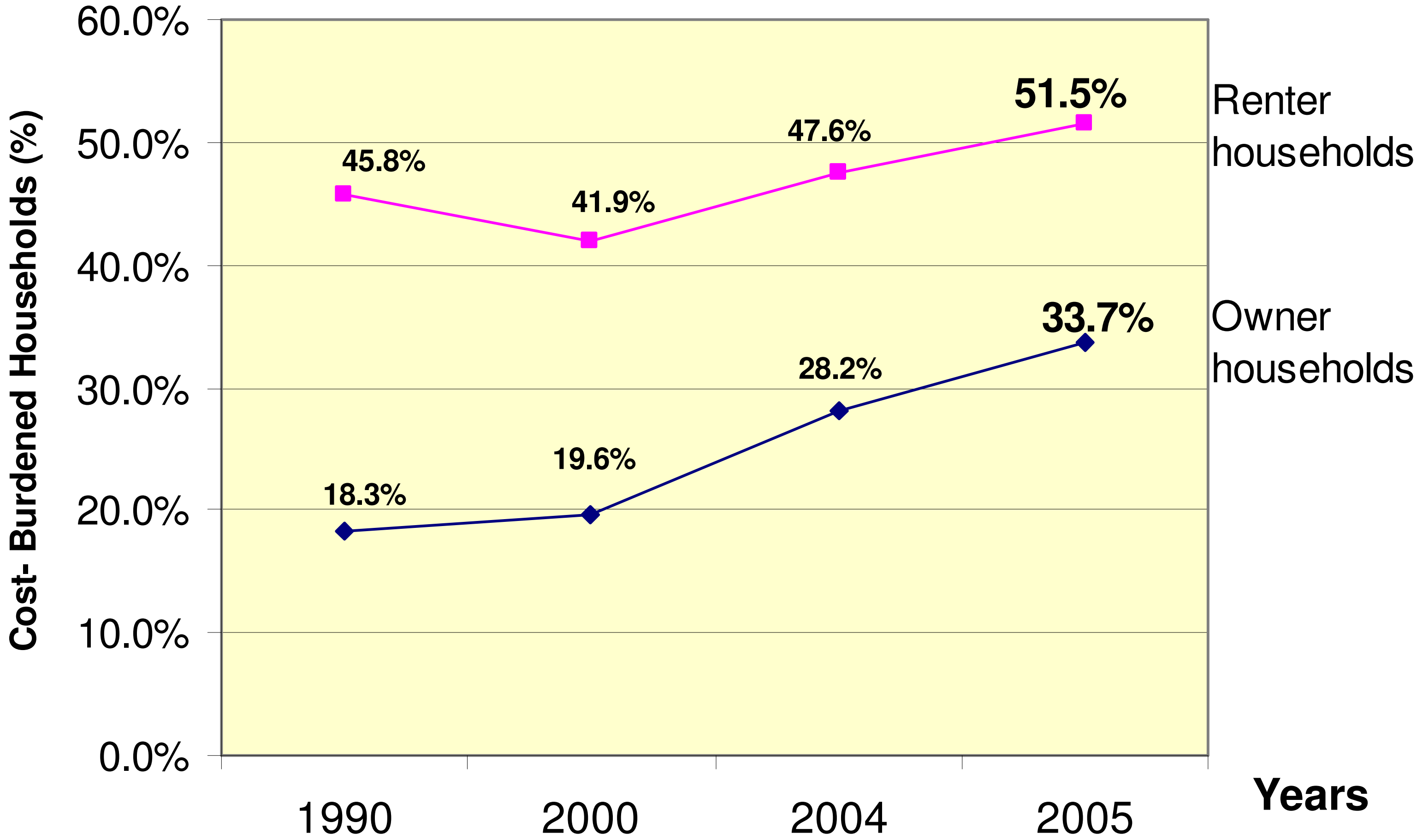
Demographics
new population and households ?

These four metro/state trends suggest we need to focus on…

- Senior housing, especially smaller units with supportive services within or nearby
- Affordable housing for ethnically diverse families
  - Rental vs. Ownership?
  - Size of unit?
  - Culturally-appropriate amenities?
- Units with fewer bedrooms for smaller households?

Housing Costs
affordability

- Cost-Burdened Households in St. Paul



2005 American Community Survey data, US Census

Housing Costs
affordability

Housing & Transportation Costs for	**Midway, Saint Paul**	Longfellow / Seward, Minneapolis	Farmington	Fridley	**7-County Metro Area**
Homeowners	39%	43%	54%	31%	40%
Renters	37%	39%	47%	30%	35%

$$\text{Affordability Index} = \frac{\text{Housing Costs + Transportation Costs}}{\text{Income}}$$

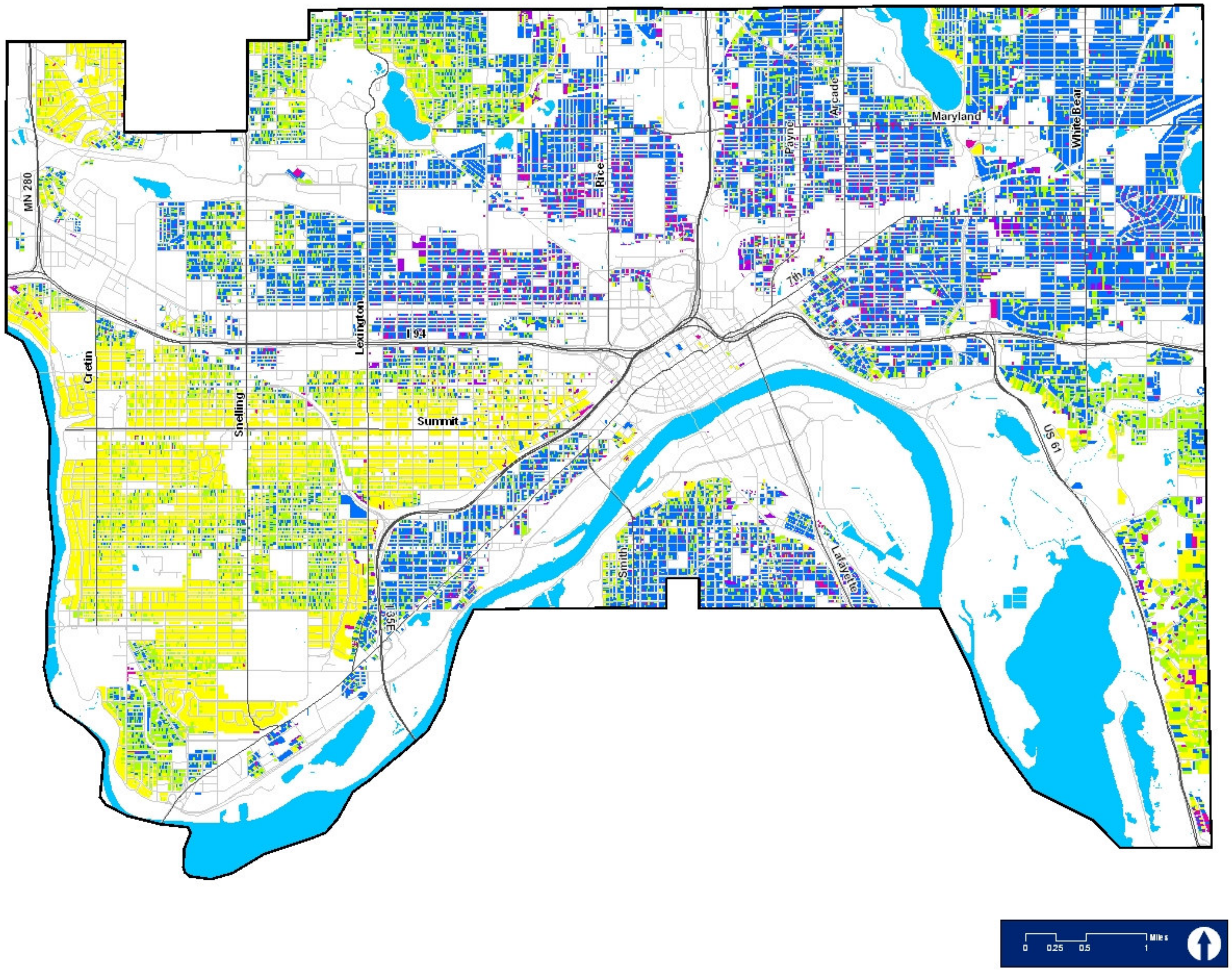
The Affordability Index: A New Tool for Measuring the True Affordability of a Housing Choice
By: The Center for Transit-Oriented Development and Center for Neighborhood Technology

http://www.brookings.edu/metro/umi/20060127_affindex.pdf

DRAFT

Total Value of Property 2005

	Up to $79,500 (affordable at 30% of median income)
	$79,501 - $132,400 (affordable at 31% - 50% of median income)
	$132,401 - $201,100 (affordable at 51% - 80% of median income)
	$201,101 - $264,900 (affordable at 81% - 100% of median income)
	Over $264,901

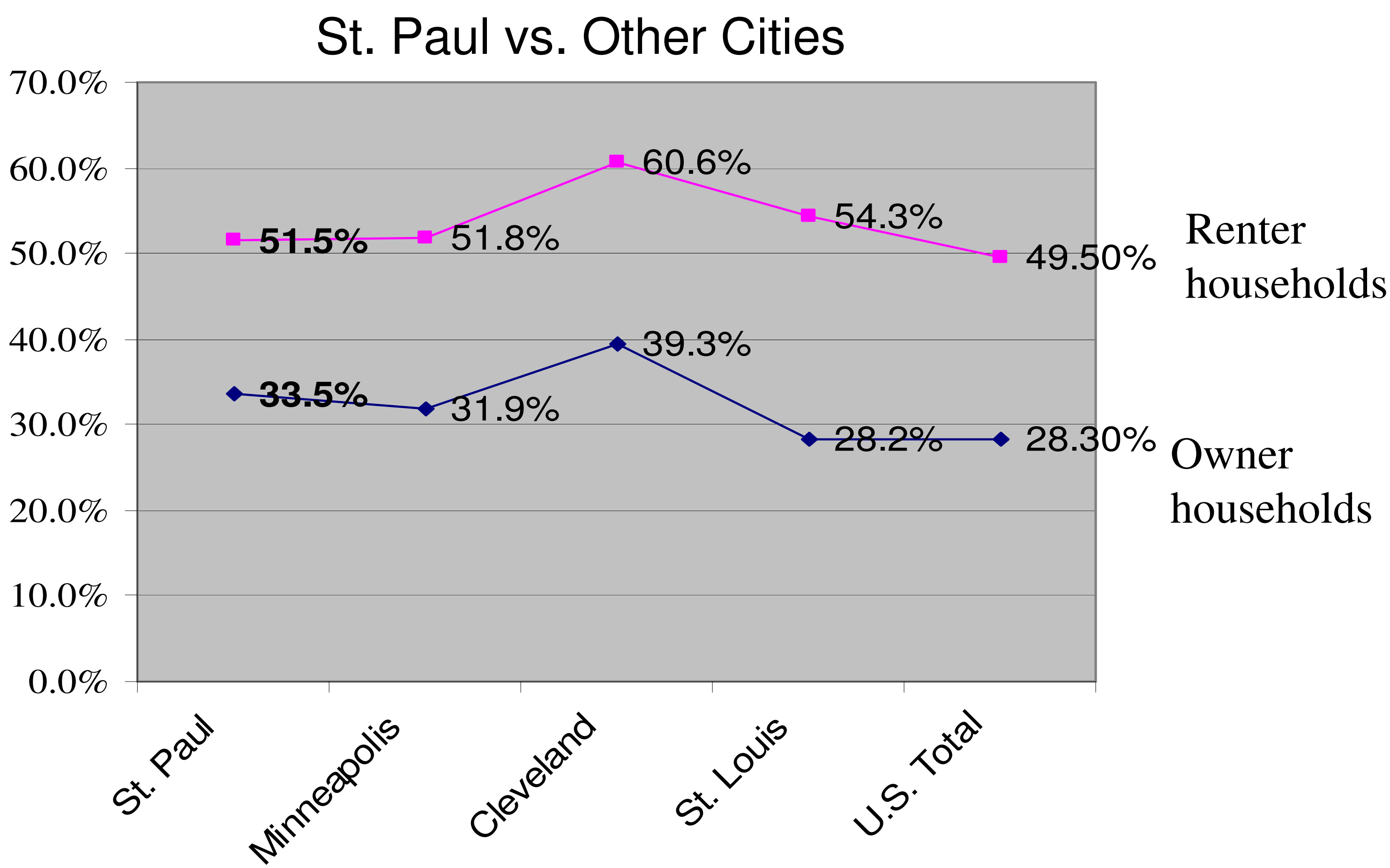


2005 Residential Property Values

Christina Danico, PED

Housing Costs
affordability

Cost-Burdened Households, 2005



2005 American Community Survey data, US Census

Housing Costs
affordability

Cost-Burdened Households, 2005

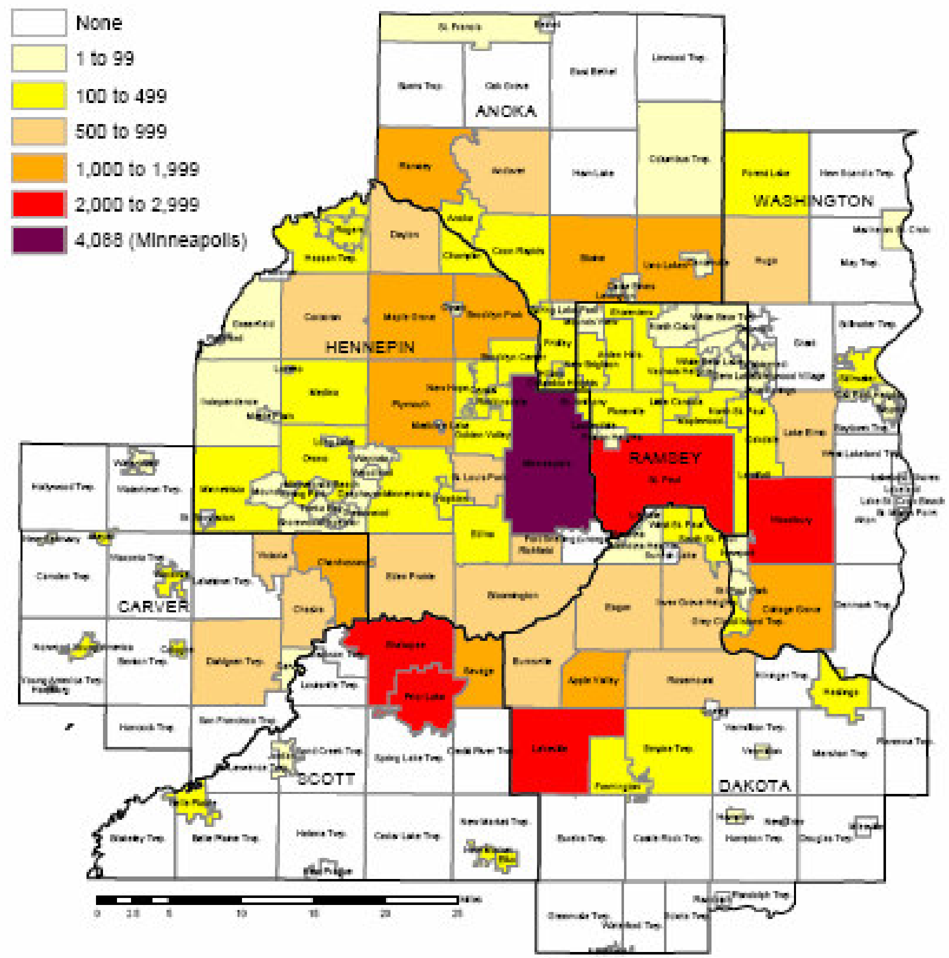
- Owners paying 30% or more of income to housing = 33.7%
- Renters paying 30% or more of income to housing = 51.5%

  Questions:

  - How and why are housing costs going up ?

- Met. Council allocates (mandates) at least **2,625 new units** of "affordable housing" to the City of Saint Paul (timespan= 2011-2020)
  - Defined as housing for those earning 60% AMI or less
  - Comp. Plan must address how these units will be provided

Twin Cities Region
Affordable Housing Units Needed, 2011 to 2020



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Metropolitan Council

Housing Stock
existing characteristics

- **St. Paul, 2000-2005**
  – Housing units **increased** by 2,516 (2.17 %)

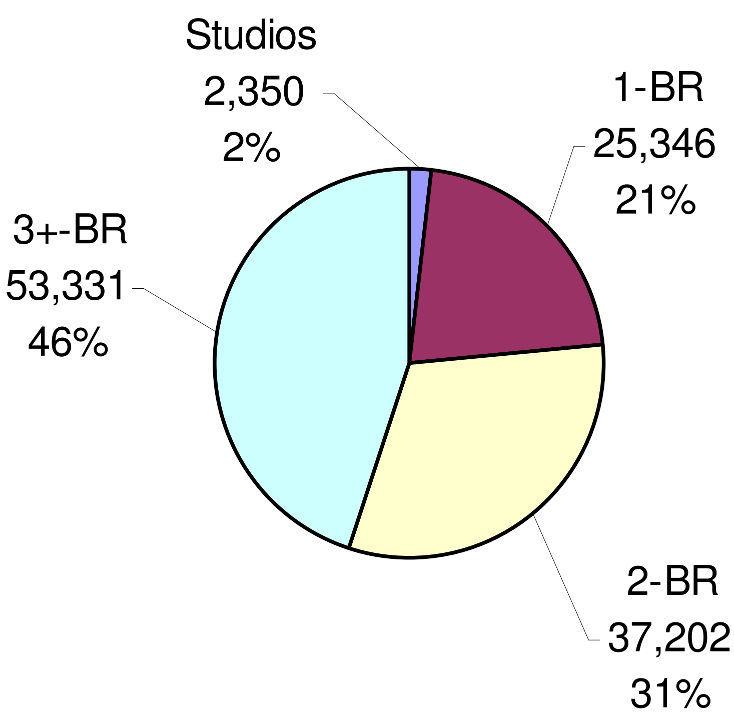
    Total housing units in 2005

    = 118,229
  – The share of all housing units that were vacant increased
    - Owner-occupied units increased by 2,145
    - Renter-occupied units decreased by 6,275
      – However, the current **vacancy rate** for rental housing units is considered **stable**, hovering around a “healthy” 5% to 10%

2005 American Community Survey data, US Census

Housing Stock
existing characteristics

- Housing Units, by number of bedrooms (2005)

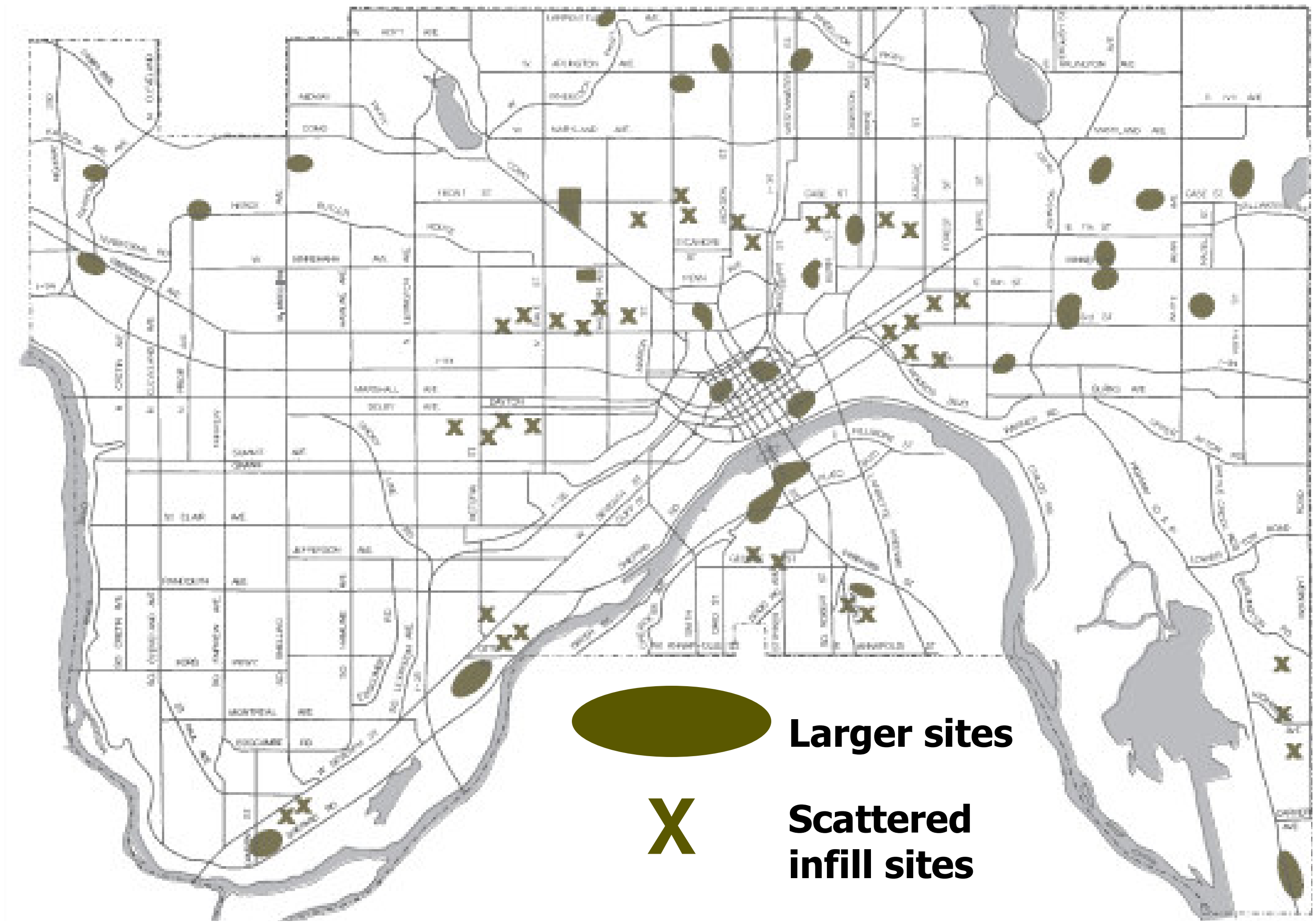


- Since 2000,
  - 3-bedroom units have increased (and as a share of all housing units)
  - 2-bedroom units have increased slightly (stable as a share of total units)
  - 1-bedroom units have decreased slightly (but not much as a share of total units)

2005 American Community Survey data, US Census

Potential Housing Development Sites –

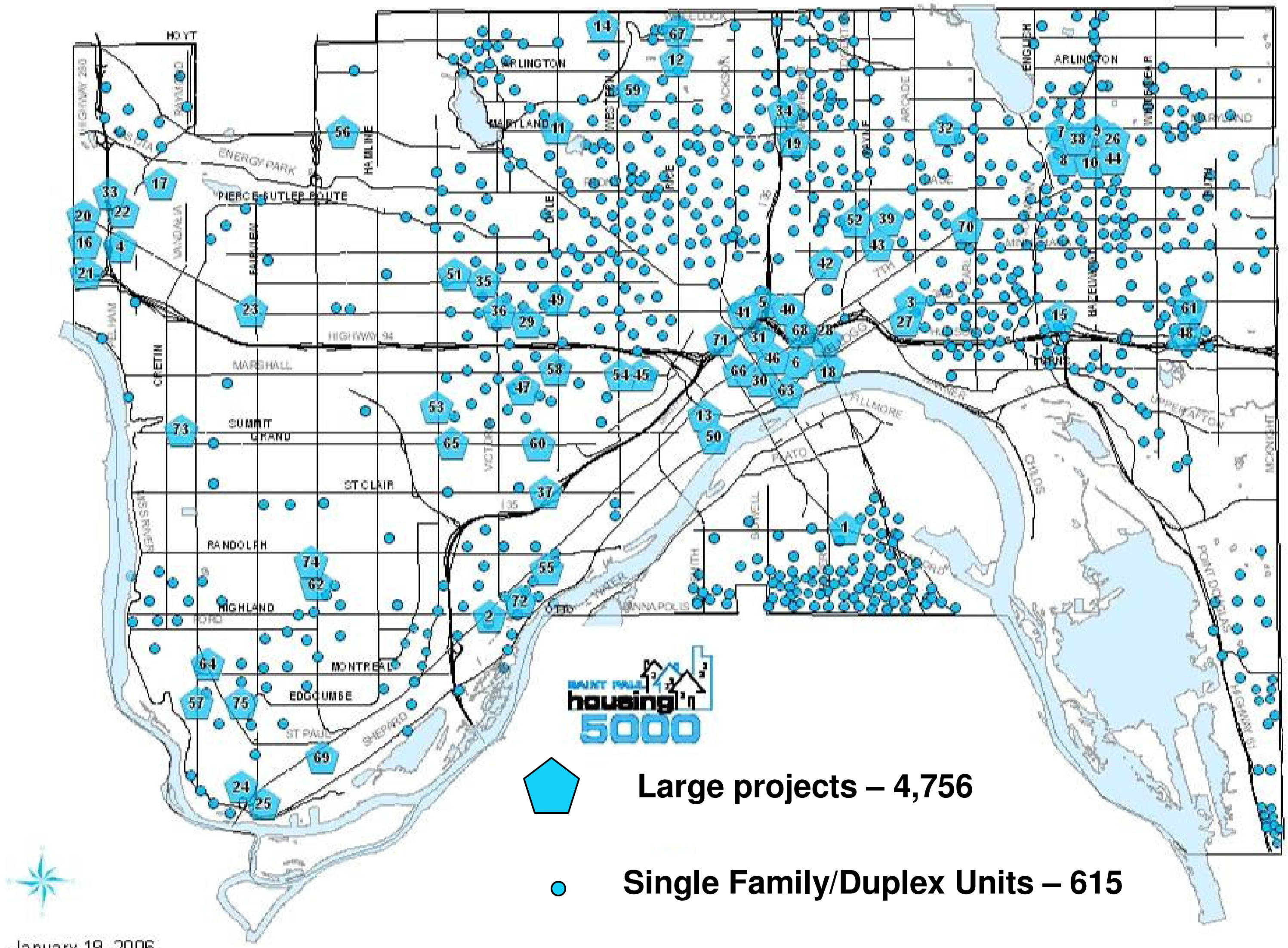
From the 1998 Housing Plan



From the 1998 plan…

Housing 5000 projects

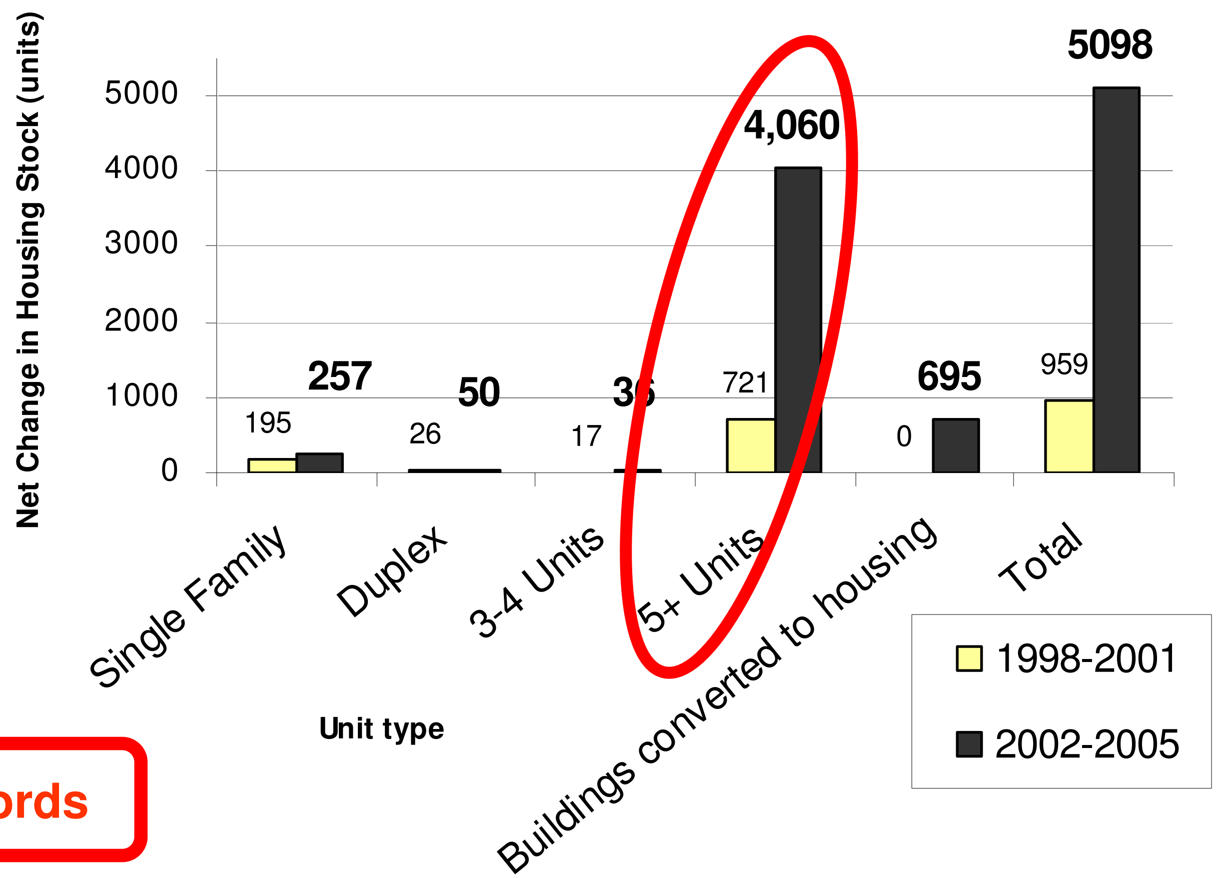
Closed Projects 2002-2005



5,371 housing units

Housing Stock
recent trends

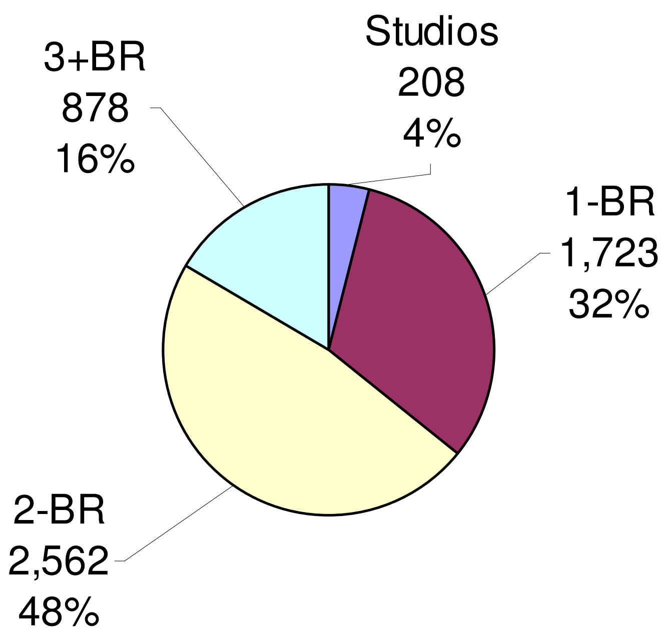
- Citywide Net Change in Housing Stock, by Unit Types:
  1998-2001 vs. 2002-2005



City records

Housing Stock
recent trends

- New Units Produced, by Number of Bedrooms, 2002-05



New housing production focused predominantly on:

2-bedroom units (~1/2 of total)

AND

1-bedroom units (~1/3 of total)

City records

Housing Stock
recent trends

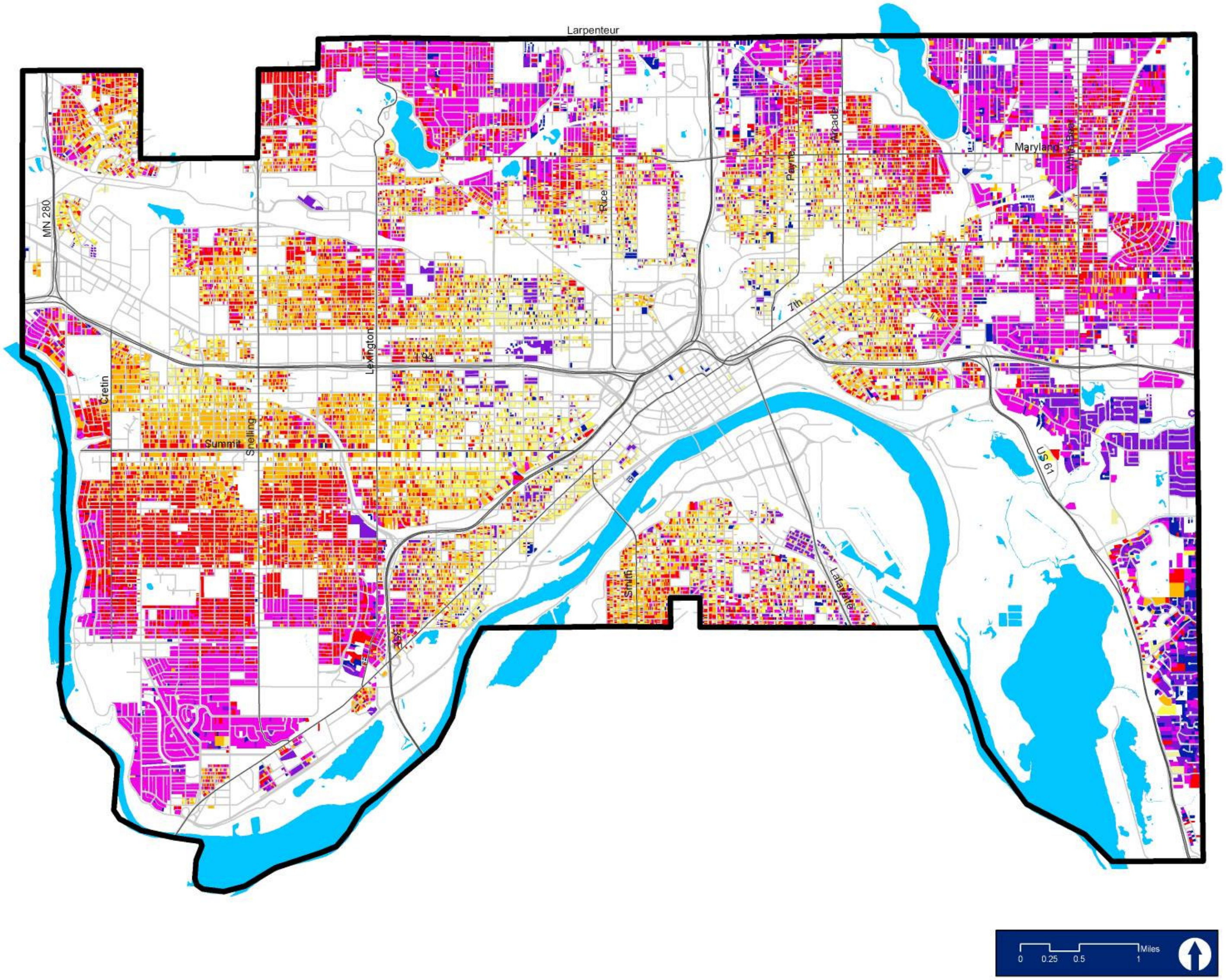
Preliminary conclusions…

- Recent new housing production focused on smaller (1-2 bedroom) multifamily units and scattered 1-2 family infill projects
  - Existing housing stock shows 52% 1-2 bedroom units, and 46% 3-bedroom units
    - Do the new, smaller units serve the needs of seniors?
    - Have affordable housing options for families been provided?
- Limited land left for new housing

DRAFT

Year Built for Residential Properties

	1850 - 1893
	1894 - 1906
	1907 - 1919
	1920 - 1938
	1939 - 1961
	1962 - 1984
	1985 - 2005



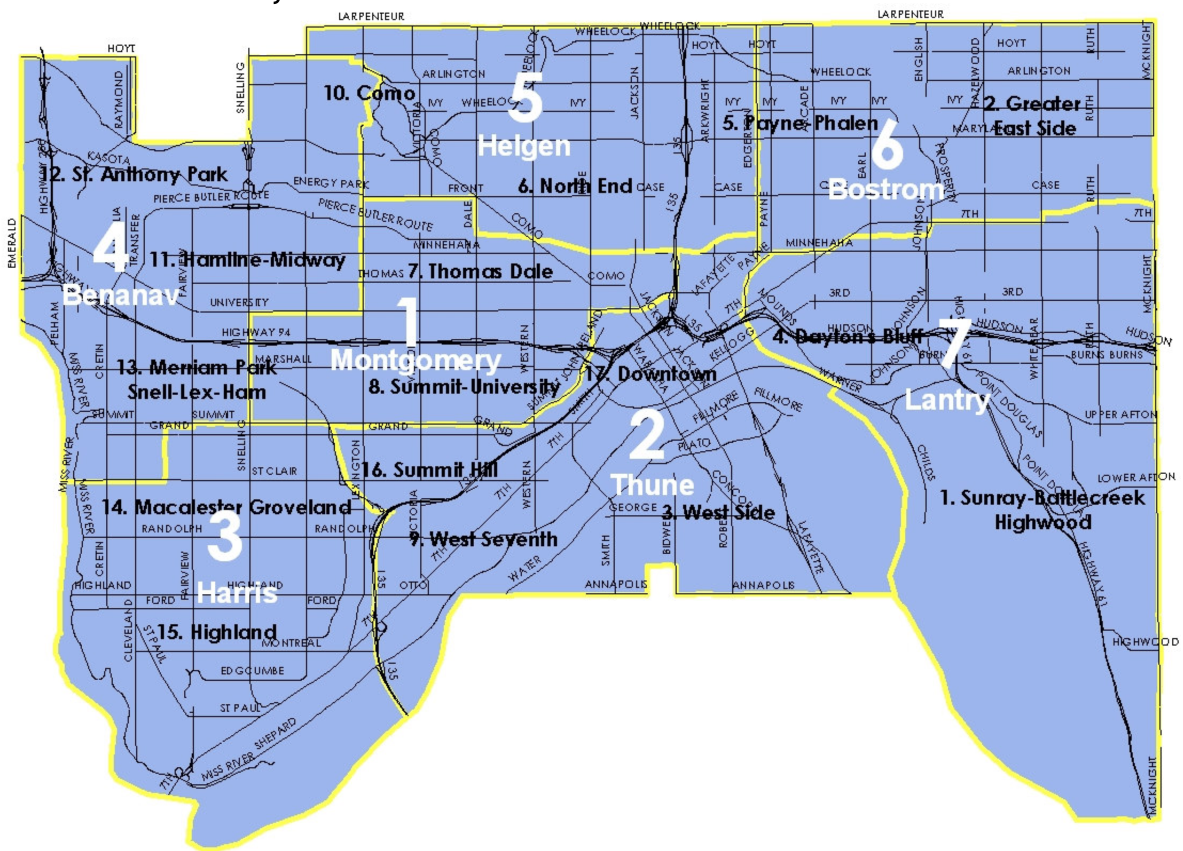
Age of Housing (Year Built)

Christina Danico, PED

Housing Stock
recent trends

Vacant Buildings, 2005-2006, to date

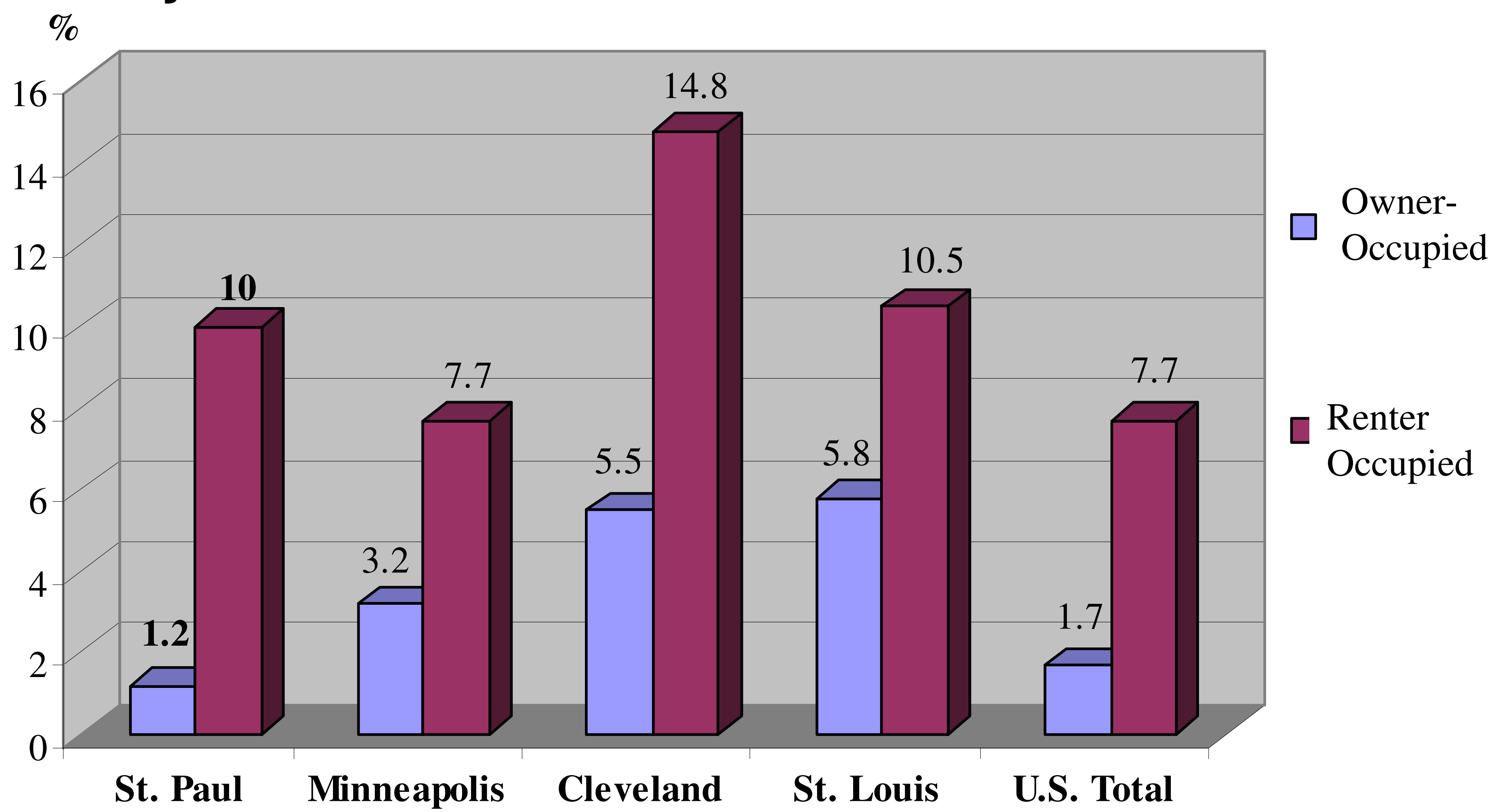
- Growing in all areas
- 1990s - Wards 1 & 2
- Today - increasing rapidly in Ward **6**
- District Councils # 3-7 have highest proportion
- Generally, low income areas have a faster turnaround time for vacant buildings
- As of November 1, there were 803 registered vacant houses in St. Paul



Source: Council Research, "Mortgage Foreclosure & Vacant Building Trends in St. Paul"

Housing Stock
recent trends

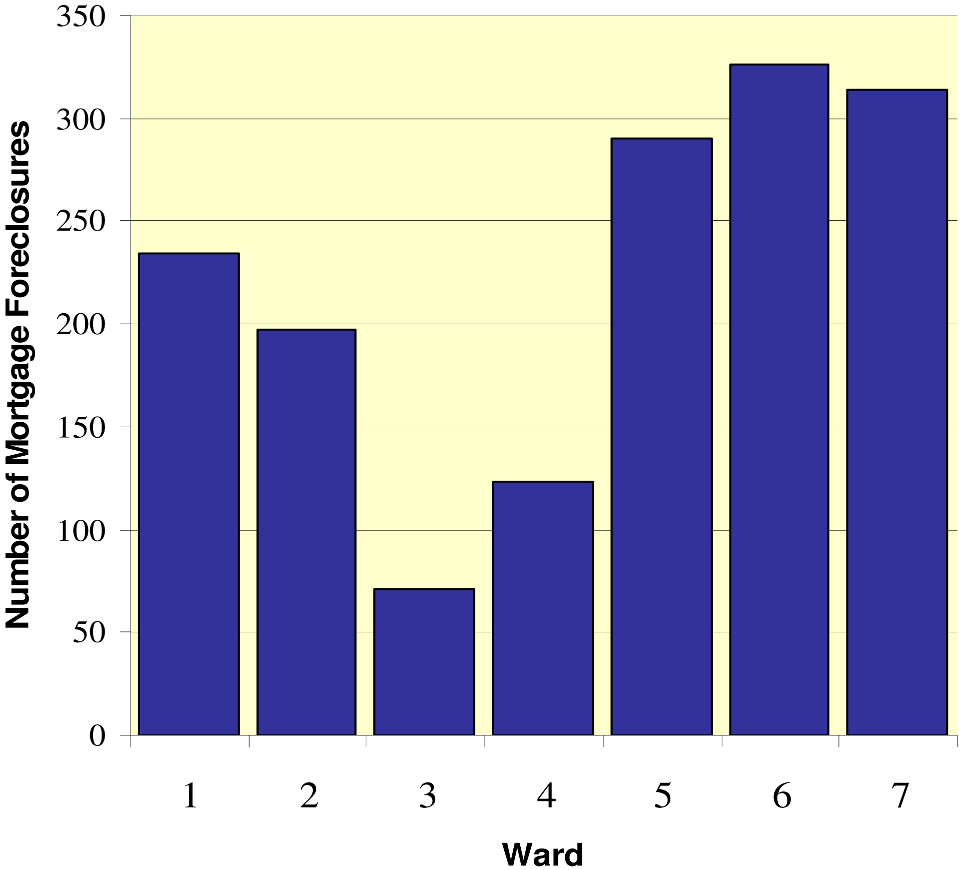
Vacancy Rates - Saint Paul vs. Other Cities



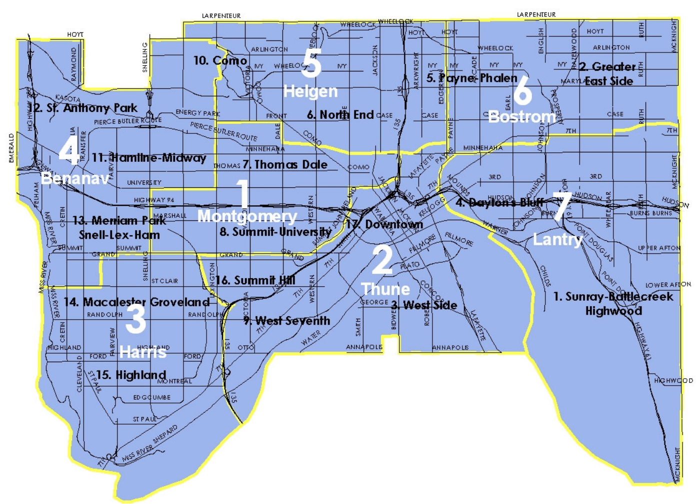
Source: 2005 American Community Survey

Housing Stock
recent trends

- Foreclosures – By Ward



- Wards **6** and **7** have the most
  - East Side, Greater East Side, and Southeast
- **5** is also high (North End)
- Expected to peak in 2007-2008

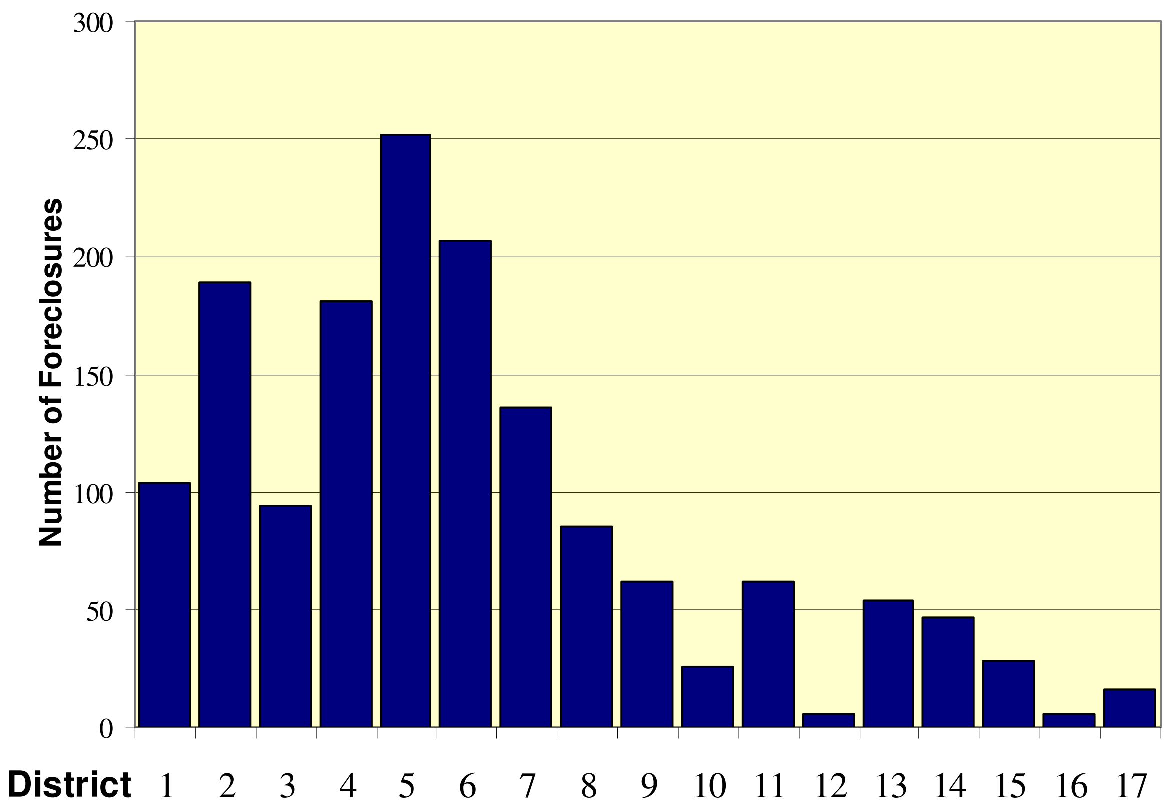


<u>Source</u>: Council Research, "Mortgage Foreclosure & Vacant Building Trends in St. Paul"

Housing Stock
recent trends

- Foreclosures – By Planning District

2005-2006, to date

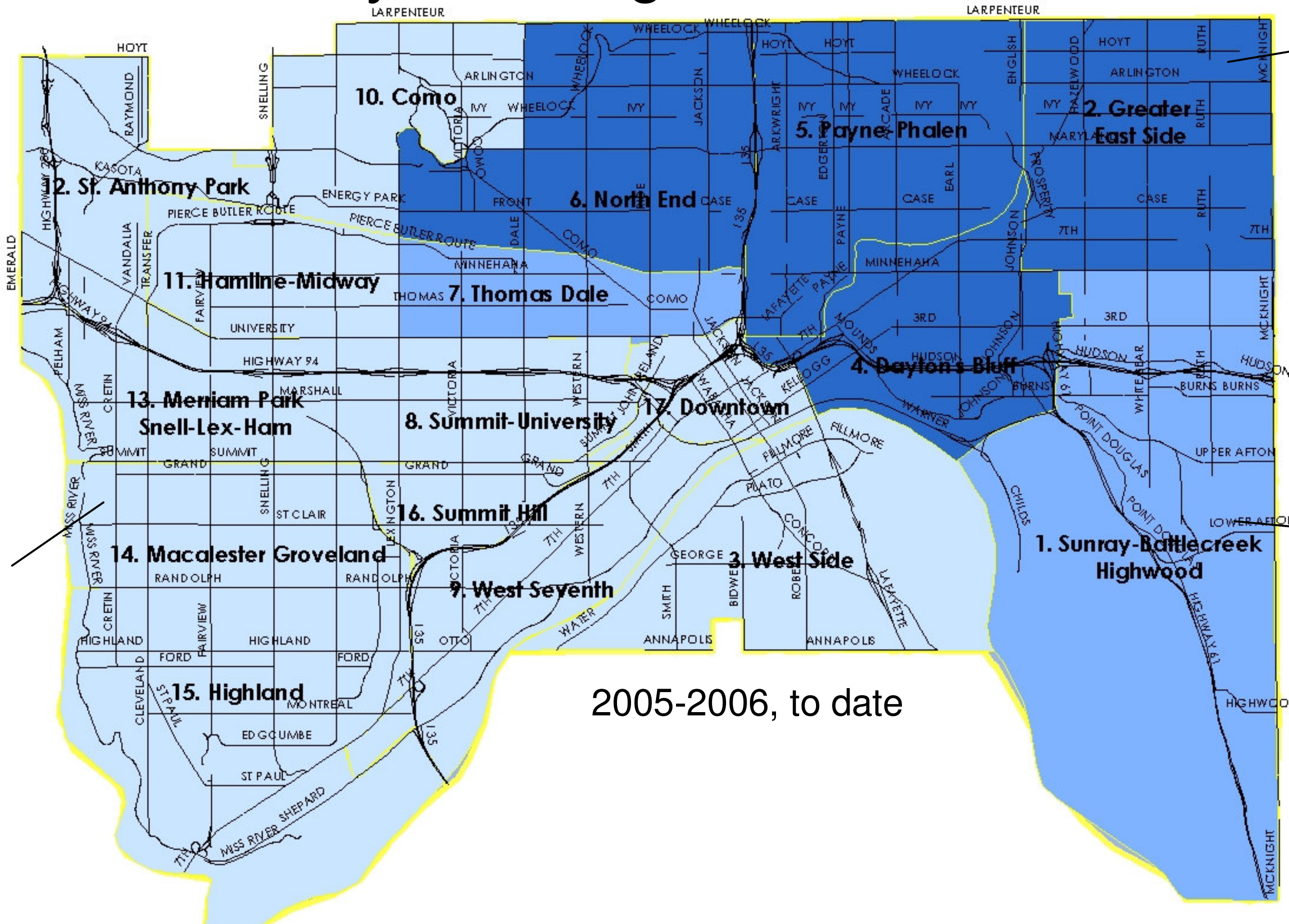


- Highest:
  - Districts 5 (Payne-Phalen)
  - District 6 (North End)
- Also high:
  - District 2 (Greater East Side)
  - District 4 (Dayton's Bluff)

<u>Source</u>: Council Research, "Mortgage Foreclosure & Vacant Building Trends in St. Paul"

Housing Stock
recent trends

- Foreclosures – By Planning Districts



Greater than 150 per district

100-150 per district

Under 100 per district

Source: Council Research, "Mortgage Foreclosure & Vacant Building Trends in St. Paul"

Housing Stock
recent trends

- Research on the regional housing market* has shown

  Ramsey Co. is one of the few in the 13-county Metro where **housing demand <u>exceeds</u> the supply of lots that are ready for construction:**

  505 = lots ready for construction (supply)

  vs.

  579 = Estimated total 12 month demand

  – Supports the following ideas:
    - New housing options will likely result from redevelopment, on infill sites
    - Higher density housing is anticipated along key transit lines (Central Corridor)
    - Old commercial & industrial zoning converting to Traditional Neighborhood zoning

Source: *Betty Hardle, Residential Research Services Co., “Time to Understand the Market”, Sensible Land Use Coalition, Sept. 27, 2006.

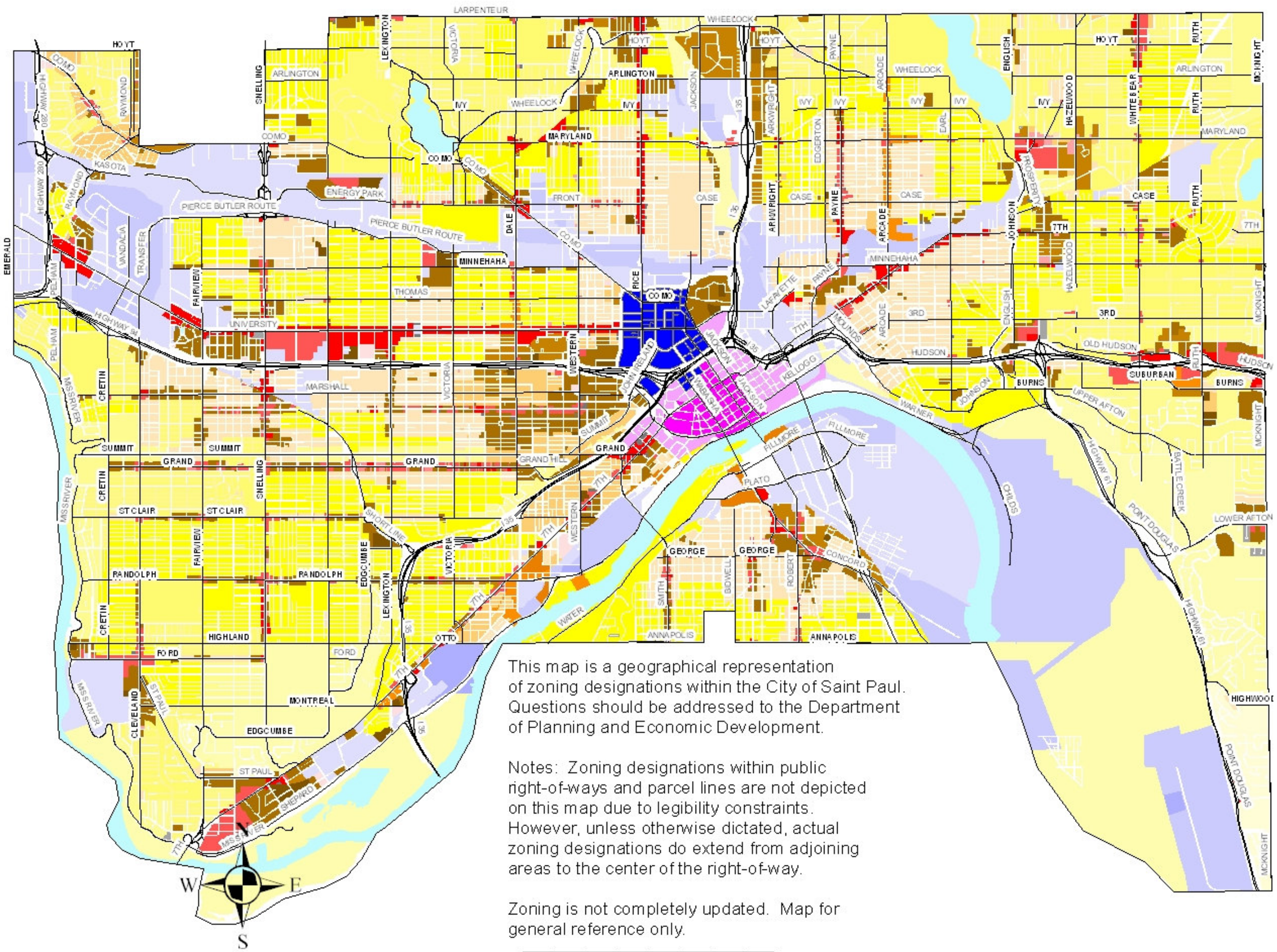
Zoning

CITY OF SAINT PAUL

DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT

SAINT PAUL ZONING MAP

- Streets - Major
- Zone Districts
- RL One-Family Large Lot
- R1 One-Family
- R2 One-Family
- R3 One-Family
- R4 One-Family
- RT1 Two-Family
- RT2 Townhouse
- RM1 Multiple-Family
- RM2 Multiple-Family
- RM3 Multiple-Family
- TN1 Traditional Neighborhood
- TN2 Traditional Neighborhood
- TN3 Traditional Neighborhood
- OS Office-Service
- B1 Local Business
- BC Community Business (converted)
- B2 Community Business
- B3 General Business
- B4 Central Business
- B5 Central Business Service
- IR River Corridor Industrial
- I1 Light Industrial
- I2 General Industrial
- I3 Restricted Industrial
- VP Vehicular Parking
- PD Planned Development
- CA Capitol Area Jurisdiction
- Water Features
- Right-of-Way



This map is a geographical representation of zoning designations within the City of Saint Paul. Questions should be addressed to the Department of Planning and Economic Development.

Notes: Zoning designations within public right-of-ways and parcel lines are not depicted on this map due to legibility constraints. However, unless otherwise dictated, actual zoning designations do extend from adjoining areas to the center of the right-of-way.

Zoning is not completely updated. Map for general reference only.

0 0.5 1 2 Miles

Zoning

Housing Stock
conclusions

- Rigorous growth of housing stock, much multifamily
- Not much vacant land left, has become scarce
- Decreasing affordability of housing
- Dramatic increase in vacant buildings & mortgage foreclosures, especially 2005-’06
  - Concentrated in the same areas
- Market suggests a continued demand for housing in Saint Paul, but a need for assistance to residents in crisis

Questions – Housing need, supply & constraints

- ➢ What type of housing will the 7,000 new households need ?
- ➢ What will the City need to do to ensure such housing is provided, given:
  - Lack of developable land (density)
  - Decreasing affordability of housing & transportation
  - Limited City resources (target/leverage)
- ➢ Existing plan strategies – revisit?
- ✓ Take care of what we have
- ✓ Meet new market demand
- ✓ Ensure the availability of affordable housing

Source: A Heavy Load, Center for Housing Policy.

DISCUSSION

Next Steps

- Next meetings
  - November 29, 2006: 1ST Community Comment Meeting (Hamline-Midway Library), 4-6 PM

  Task Force meetings:
  - January 17, 2007: Affordable Housing
  - Feb. 21, 2007: Supportive Housing
  - New meeting location, from January ’07 on:
    - Rondo Outreach Library
      461 North Dale St

Questions? Comments?